

FAMGUARD CORPORATION LIMITED

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

9 months ended September 30, 2025

CONNECTING
PEOPLE WITH
SOLUTIONS



THAT PROTECT
THEIR LIFE,
HEALTH & WEALTH



FAMGUARD CORPORATION LIMITED

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
30 SEPTEMBER, 2025

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FAMGUARD CORPORATION LIMITED
CHAIRMAN'S REPORT
Unaudited Results for the Nine months ended 30 September 2025

MESSAGE FROM THE CHAIRMAN

Dear Shareholders:

On behalf of the Board of Directors, I am pleased to present the results of the FamGuard Group for the nine months ended September 30, 2025. Despite a challenging economic environment characterized by fluctuating interest rates and financial market volatility, the Group delivered strong financial results for the period, underscoring our operational resilience and disciplined management approach.

For the nine months ended September 30, 2025, the Group reported net profits of \$6.1 million (2024: \$4.8 million) representing \$0.20 (2024: \$0.16) per ordinary share. The result reflects a solid rebound from the second quarter's challenges, which were primarily driven by higher finance expenses resulting from shifts in interest rates on government bonds. The results demonstrate the Group's ability to adapt swiftly to market conditions while maintaining steady revenue and prudent cost management.

The Group reported total insurance revenue of \$93.7 million (2024: \$79.1 million) for the nine months, representing a 18.5% increase over the corresponding prior period supported by steady new business, improved persistency, and positive Contractual Service Margin (CSM) experience. Insurance service expenses incurred during the period totaled \$79.9 million (2024: \$68.3 million). The increase year over year is in direct correlation to the growth in membership in the Group & Individual health division. Despite the increase in benefit volumes, the loss ratio remained stable, indicating prudent underwriting/pricing and effective claims management.

The Group's investment portfolio continued to perform well, supported by prudent asset allocation and proactive risk management. Yields on long-term government securities improved, contributing to higher investment income, while the portfolio also benefited from unrealized gains due to favorable secondary market pricing.

As of September 30, 2025, the Group maintained a strong financial position with total assets of \$403 million and shareholders' equity of \$121.3 million. Investment assets continue to represent a substantial portion of the balance sheet, reflecting the strength and stability of the company's capital base. The Group remains sufficiently capitalized and compliant with the regulatory capital requirements. In recognition of the Group's sustained performance and our ongoing commitment to delivering value to shareholders, the Board approved total dividends of \$1.5 million, or \$0.05 per ordinary share for the shareholders of record as of 19th November 2025.

On behalf of the Board of Directors of FamGuard, I extend sincere appreciation to our management team, support staff, and sales team for their continued hard work and commitment to serving our clients, which has contributed to the success of the Group. I also extend my deep appreciation to our valued customers and shareholders for your continued confidence and support as we remain committed to delivering long-term value and financial security to all our stakeholders.

Sincerely,

Raymond Winder
Chairman of the Board
FamGuard Corporation

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at September 30, 2025
(Expressed in Bahamian dollars)
UNAUDITED

	30 September 2025	31 December 2024
ASSETS		
Cash and bank balances	20,256,081	12,389,614
Financial investment assets	324,328,843	318,079,110
Receivables and other assets, net	5,355,050	4,663,792
Right-of-use assets	754,769	477,003
Property and equipment, net	29,573,950	30,025,591
Intangible assets, net	11,033,688	10,677,888
Reinsurance contract assets	12,032,473	10,015,709
Total assets	\$ 403,334,854	\$ 386,328,707
LIABILITIES		
Insurance contract liabilities	270,327,731	255,155,535
Investment contract liabilities	873,714	449,669
Other liabilities	9,960,434	9,021,463
Lease liabilities	828,555	532,555
Total liabilities	281,990,434	265,159,222
EQUITY		
Ordinary shares	2,000,000	2,000,000
Share premium	10,801,080	10,801,080
Revaluation reserve	27,108,284	26,989,345
Retained earnings	81,435,056	81,379,060
Total equity	121,344,420	121,169,485
TOTAL LIABILITIES AND EQUITY	\$ 403,334,854	\$ 386,328,707

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Nine months ended September 30, 2025

(Expressed in Bahamian dollars)

UNAUDITED

	9 months to 30-Sep-25	9 months to 30-Sep-24
Insurance revenue	\$ 93,695,575	\$ 79,081,984
Insurance service expenses	(79,852,679)	(68,302,047)
Net expenses from reinsurance contracts held	<u>(3,117,196)</u>	<u>(2,637,872)</u>
Insurance service result	<u>10,725,700</u>	<u>8,142,066</u>
Interest income from financial assets measured at amortised cost	12,538,199	11,692,322
Other investment income	1,305,836	708,813
Net fair value gains on financial assets at FVTPL	1,847,126	599,089
Net change in investment contract liabilities	(424,045)	84,267
Reversal/(impairment loss) on financial assets	<u>245,714</u>	<u>(171,979)</u>
Net investment income	<u>15,512,831</u>	<u>12,912,511</u>
Net finance expenses from insurance contracts issued	(12,728,709)	(9,644,302)
Net finance income from reinsurance contracts held	<u>(24,324)</u>	<u>6,311</u>
Net insurance finance expenses	<u>(12,753,033)</u>	<u>(9,637,991)</u>
Net insurance and investment result	13,485,497	11,416,585
Other income	1,360,091	1,678,955
Other expenses	<u>(8,789,592)</u>	<u>(8,305,184)</u>
Net income	<u>\$ 6,055,997</u>	<u>\$ 4,790,356</u>
OTHER COMPREHENSIVE INCOME:		
<i>Items that will not be reclassified subsequently to net income:</i>		
Changes in the fair value of equity investments at FVOCI	<u>118,939</u>	<u>322,980</u>
Total other comprehensive income	<u>118,939</u>	<u>322,980</u>
Total comprehensive income	<u>\$ 6,174,936</u>	<u>\$ 5,113,336</u>
NET INCOME ATTRIBUTABLE TO:		
Ordinary shareholders	<u>\$ 6,055,997</u>	<u>\$ 4,790,356</u>
Basic and diluted earnings per ordinary share	<u>\$ 0.20</u>	<u>\$ 0.16</u>
TOTAL COMPREHENSIVE INCOME		
ATTRIBUTABLE TO:		
Ordinary shareholders	<u>\$ 6,174,936</u>	<u>\$ 5,113,336</u>

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended September 30, 2025

(Expressed in Bahamian dollars)

UNAUDITED

	3 Months to 30-Sep-25	3 Months to 30-Sep-24
Insurance revenue	\$ 30,279,532	\$ 53,325,461
Insurance service expenses	(27,050,353)	(47,076,195)
Net expenses from reinsurance contracts held	76,887	(1,807,550)
Insurance service result	3,306,066	4,441,717
Interest income from financial assets measured at amortised cost	4,136,192	7,856,076
Other investment income	510,543	491,228
Net fair value gains on financial assets at FVTPL	401,378	466,563
Net change in investment contract liabilities	36,429	39,667
Release of credit losses on financial assets	(61,970)	(203,075)
Net investment income	5,022,573	8,650,458
Net finance expenses from insurance contracts issued	(3,361,031)	(6,440,656)
Net finance income/(expense) from reinsurance contracts held	71,678	(8,448)
Net insurance finance expenses	(3,289,353)	(6,449,104)
Net insurance and investment result	5,039,285	6,643,070
Other operating income	466,730	1,213,144
Other operating expenses	(2,699,698)	(5,664,742)
Net income	\$ 2,806,317	\$ 2,191,472
OTHER COMPREHENSIVE INCOME:		
<i>Items that will not be reclassified subsequently to net income:</i>		
Changes in the fair value of equity investments at FVOCI	204,448	206,864
Total other comprehensive income	204,448	206,864
Total comprehensive income	\$ 3,010,765	\$ 2,398,336
NET INCOME ATTRIBUTABLE TO:		
Ordinary Shareholders	\$ 2,806,317	\$ 2,191,472
Basic and diluted earnings per ordinary share	\$ 0.09	\$ 0.07
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Ordinary Shareholders	\$ 3,010,765	\$ 2,398,336

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Nine months ended September 30, 2025
(Expressed in Bahamian dollars)
UNAUDITED

	Ordinary <u>Shares</u>	Share <u>Premium</u>	Revaluation <u>Reserve</u>	Retained <u>Earnings</u>	<u>Total</u>
Balance as at December 31, 2024	2,000,000	10,801,080	26,989,345	81,379,060	121,169,485
Transactions with owners					
Dividends declared and paid -					
Ordinary shares (\$0.20 per share)	-	-	-	(6,000,000)	(6,000,000)
Total transactions with owners	-	-	-	(6,000,000)	(6,000,000)
Comprehensive income					
Net Income	-	-	-	6,055,997	6,055,997
Other Comprehensive income	-	-	118,939	-	118,939
Total Comprehensive income	-	-	118,939	6,055,997	6,174,936
Balance as at September 30, 2025	<u>2,000,000</u>	<u>10,801,080</u>	<u>27,108,284</u>	<u>81,435,056</u>	<u>121,344,420</u>

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Nine months ended September 30, 2025
(Expressed in Bahamian dollars)
UNAUDITED

	9 months ended 30-Sep-25	9 months ended 30-Sep-24
Net Income	\$ 6,055,997	\$ 4,790,356
Adjustments for:		
Net cash from operating activities	15,835,825	7,535,424
Net cash used in investing activities	(2,223,809)	(1,411,368)
Net cash used in financing activities	(5,745,549)	(5,161,227)
Net increase in cash and cash equivalents	7,866,467	962,829
Cash and cash equivalents at beginning of the period	12,389,614	13,608,959
Cash and cash equivalents at end of the period	\$ 20,256,081	\$ 14,571,788

See notes to unaudited consolidated financial statements

FAMGUARD CORPORATION LIMITED

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Nine months ended September 30, 2025

(Expressed in Bahamian Dollars)

Unaudited

1. General Information

FamGuard Corporation Limited (the “Company”) is incorporated under the laws of the Commonwealth of The Bahamas and serves as an investment holding company with three wholly owned subsidiaries; Family Guardian Insurance Company Limited (FG), BahamaHealth Insurance Brokers Limited, and FG Insurance Agents & Brokers Limited (FGIAB) (together, “the Group”). FG is the principal operating unit and is licensed as an insurance company under the Insurance Act, 2005. FG sells life and health insurance products in The Bahamas. FGIAB operates as an agent and broker for general insurance products in the Bahamas. All other wholly owned subsidiaries within the group are inactive.

The registered office of the Company is located at the offices of E. Dawson Roberts & Co., Parliament and Shirley Streets, Nassau, The Bahamas. The ordinary shares of the Company are listed on The Bahamas International Securities Exchange (BISX).

2. Basis of Preparation

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34 - “Interim Financial Reporting” unless otherwise noted. The condensed consolidated financial statements do not include all the disclosures required in the annual financial statements and should be read in conjunction with the Group’s 2024 audited consolidated financial statements.

The accounting policies used in the preparation of the condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2024.

3. Accounting Estimates and Judgements

In preparing these condensed consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. The results for period are not necessarily indicative of full year results for the financial year. The areas of critical accounting estimate and judgement as disclosed in Note 5 of the 31 December 2024 audited consolidated financial statements, have also remained unchanged.

4. Commitments

Outstanding commitments to extend credit under mortgage loan agreements amounted to \$479,274 as at 30 September 2025 (31st December 2024: \$428,290).

5. Corresponding Figures

Where necessary, corresponding figures have been adjusted to conform with changes in presentation in the current year.

FAMGUARD CORPORATION LIMITED**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Nine months ended September 30, 2025

(Expressed in Bahamian Dollars)

Unaudited

(Continued)

6. Business Segments

The Group is organized into three main business segments: life insurance, health insurance and other.

These segments and their respective products are as follows:

- Life Insurance - offers a range of ordinary life insurance and industrial life insurance.
- Health Insurance - offers a range of group medical, individual medical, sick and accident, and hospitalization insurance.
- Other – includes the operations of its general insurance agency and broker, and its other subsidiaries.

The segment results for the period ended 30 September rounded to the nearest thousand are as follows:

	2025				
	(\$000)				
	<u>LIFE</u>	<u>HEALTH</u>	<u>OTHER</u>	<u>ELIMINATIONS</u>	<u>TOTAL</u>
	\$	\$	\$		\$
Insurance revenue	24,645	69,050	-	-	93,696
Insurance service expense	(16,316)	(63,537)	-	-	(79,853)
Net expense from reinsurance contracts held	(3,752)	635	-	-	(3,117)
Insurance service result	4,577	6,148	-	-	10,726
Net investment income	14,609	823	6,081	(6,000)	15,513
Net insurance finance expenses	(12,753)	-	-	-	(12,753)
Net insurance and investment result	6,433	6,971	6,081	(6,000)	13,486
Other income	308	181	880	(10)	1,360
Other expenses	(3,864)	(2,789)	(2,146)	10	(8,790)
NET INCOME	2,878	4,363	4,815	(6,000)	6,056

	2024				
	(\$000)				
	<u>LIFE</u>	<u>HEALTH</u>	<u>OTHER</u>	<u>ELIMINATIONS</u>	<u>TOTAL</u>
	\$	\$	\$		\$
Insurance revenue	22,897	56,185	-	-	79,082
Insurance service expense	(17,175)	(51,127)	-	-	(68,302)
Net expense from reinsurance contracts held	(2,263)	(374)	-	-	(2,638)
Insurance service result	3,458	4,684	-	-	8,142
Net investment income	12,443	422	6,647	(6,600)	12,913
Net insurance finance expenses	(9,638)	-	-	-	(9,638)
Net insurance and investment result	6,264	5,106	6,647	(6,600)	11,417
Other income	421	323	945	(10)	1,679
Other expenses	(3,468)	(2,563)	(2,284)	10	(8,305)
NET INCOME	3,217	2,866	5,308	(6,600)	4,790

FamGuard Corporation Ltd. | No. 1 Shirley Street | P. O. Box SS-6232 | Nassau, Bahamas

www.famguardbahamas.com